CHAPTER 279

## **AGRICULTURE**

HOUSE BILL 21-1181

BY REPRESENTATIVE(S) McCormick and Will, Amabile, Bernett, Bird, Esgar, Froelich, Hooton, McCluskie, Michaelson Jenet, Titone, Cutter, Duran, Gray, Jodeh, Lontine, Mullica, Ricks, Snyder, Valdez D.; also SENATOR(S) Simpson and Winter, Bridges, Buckner, Coram, Fenberg, Ginal, Gonzales, Jaquez Lewis, Kolker, Moreno, Pettersen, Priola, Sonnenberg, Garcia.

## AN ACT

CONCERNING THE CREATION OF A VOLUNTARY SOIL HEALTH PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1. Legislative declaration.** (1) The general assembly hereby finds and declares that:

- (a) Conserving and enhancing Colorado's agricultural soils is critical to maintaining and increasing the economic and environmental sustainability and vitality of agriculture;
- (b) Healthy soils can increase agricultural producer profitability by reducing labor and supply costs and increasing yields and resilience to extreme weather events, including drought and heat;
- (c) Healthy soils support rural communities by increasing the prosperity of farming and ranching families and supporting closely tied local food and agricultural businesses;
- (d) Healthy soils have important environmental benefits, including improved air and water quality, soil structural integrity, erosion prevention, and nutrient cycling; increased biological and microbiological diversity; and carbon sequestration; and
- (e) Colorado has a robust legacy of soil and environmental stewardship, and the state conservation board and conservation districts have led agricultural conservation efforts for decades.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

**SECTION 2.** In Colorado Revised Statutes, **add** article 73 to title 35 as follows:

## ARTICLE 73 Voluntary Soil Health Program

- **35-73-101. Short title.** The short title of this article 73 is the "Voluntary Soil Health Program Act".
- **35-73-102. Definitions.** As used in this article 73, unless the context otherwise requires:
- (1) "Advisory committee" means the soil health advisory committee created in section 35-73-106.
- (2) "Commissioner" means the commissioner of agriculture or the commissioner's authorized agent.
- (3) "Department" means the department of agriculture and includes the state agricultural commission created in Section 35-1-105, the commissioner, and all employees and agents of the Department.
- (4) "ELIGIBLE ENTITY" MEANS A PUBLIC, GOVERNMENTAL, OR PRIVATE ENTITY, INCLUDING:
- (a) An agricultural producer, a group of agricultural producers, or an agricultural producer cooperative;
  - (b) An Indian tribe;
- (c) A nonprofit entity of a type listed in 26 U.S.C. sec. 501 (c), as amended;
  - (d) A CHARITABLE ORGANIZATION AS DEFINED IN SECTION 6-16-103 (1);
- (e) An academic or a research institution or a subdivision of the institution;
- (f) The United States or any corporation or agency created or designed by the United States;
- (g) The state of Colorado or any of its agencies or political subdivisions, including a conservation district created under article 70 of this title 35 or a water conservancy district;
- (h) An acequia ditch corporation or an unincorporated acequia ditch association, as either is described in section 7-42-101.5; and
  - (i) A DITCH CORPORATION AS DESCRIBED IN SECTION 7-42-101.
  - (5) "Grant Program" means a grant program authorized in Section

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35-73-104 (1)(a).

- (6) "Program" means a component, including a system, grant program, or inventory or platform, of the soil health program that is authorized in section 35-73-104.
- (7) "SOIL HEALTH" MEANS THE CONTINUED CAPACITY OF SOIL TO FUNCTION AS A VITAL LIVING ECOSYSTEM THAT SUSTAINS PLANTS, ANIMALS, AND HUMANS.
- (8) "SOIL HEALTH PRACTICES" MEANS THOSE PRACTICES THAT MAY CONTRIBUTE TO SOIL HEALTH OR APPLY ONE OF THE FOLLOWING PRINCIPLES THAT PROMOTE SOIL HEALTH:
  - (a) Maximizing soil cover;
  - (b) REDUCING SOIL DISTURBANCE;
  - (c) MAXIMIZING BIODIVERSITY;
  - (d) Maintaining a continual live plant or root in the soil; or
  - (e) Integrating best grazing livestock practices.
- (9) "Soil health program" means the Colorado soil health program created in section 35-73-103.
- (10) "STATE SOIL HEALTH INVENTORY AND PLATFORM" MEANS A TOOL, INCLUDING A GEOSPATIAL INVENTORY, DOCUMENTING:
  - (a) THE CONDITION OF AGRICULTURAL SOILS;
  - (b) THE IMPLEMENTATION OF SOIL HEALTH PRACTICES;
- (c) The environmental and economic effects, including current and potential future carbon holding capacity of soils; or
- (d) Other information that concerns soil health and that the department deems appropriate.
- (11) "Underserved agricultural producer" means an agricultural producer with limited resources, a beginning producer, or other types of underserved agricultural producers as determined by the advisory committee.
- **35-73-103.** Colorado soil health program created purposes. The Colorado soil health program is hereby established in the department to encourage widespread adoption of soil health practices by agricultural producers, promote environmental benefits, and advance the understanding of the environmental and economic benefits of soil health practices.

- **35-73-104. Program development programs, grants, systems, and inventories and platforms.** (1) In consultation with the advisory committee and in accordance with subsection (4) of this section, the department shall establish the following if financial resources are available:
- (a) A GRANT PROGRAM FOR ELIGIBLE ENTITIES TO ENGAGE IN SOIL HEALTH ACTIVITIES;
- (b) A system for monitoring the agricultural, environmental, or economic benefits of soil health practices as demonstrated by implementation experience, research projects, demonstration projects, or soil health activities;
  - (c) A STATE SOIL HEALTH INVENTORY AND PLATFORM;
  - (d) A SOIL HEALTH TESTING PROGRAM; AND
- (e) Other programs the department deems appropriate or necessary to promote soil health practices.
- (2) (a) In establishing programs in accordance with subsection (1) of this section, the department may prioritize the establishment of programs based on its determination of agricultural producer need and support, the availability of money and staffing, emerging areas of scientific inquiry and research, the degree of environmental benefits, or other considerations deemed appropriate to promote soil health practices.
- (b) The department shall not make a grant unless the advisory committee approves the grant, including the amount, recipient, and purpose.
- (3) ALL PROGRAMS ESTABLISHED UNDER SUBSECTION (1) OF THIS SECTION ARE VOLUNTARY AND INCENTIVE BASED. THE DEPARTMENT SHALL NOT REQUIRE:
  - (a) ELIGIBLE ENTITIES TO PARTICIPATE IN THE SOIL HEALTH PROGRAM; OR
  - (b) Nonparticipating entities to implement soil health practices.
- (4) Before establishing a program, the department shall provide public notice on the agency's official website. The department shall give the public no less than forty-five days to submit written comments after the date of publication on its official website.
- **35-73-105.** Powers and duties of the department. (1) In Carrying out this article 73, the department may:
- (a) Seek, accept, and expend gifts, grants, or donations from private or public sources for the purposes of this article 73, but the department shall not pledge the faith or credit of the state of Colorado or any county or other political subdivision. In connection with the gifts, grants, or donations, the department may enter into an agreement or

CONTRACT.

- (b) Administer and expend the following money to plan, develop, or implement programs authorized in section 35-73-104:
  - (I) APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY;
- (II) MONEY GRANTED TO OR MADE AVAILABLE TO THE DEPARTMENT BY THE UNITED STATES GOVERNMENT, AN AGENCY OF THE UNITED STATES GOVERNMENT, OR A POLITICAL SUBDIVISION OF COLORADO;
- (III) Gifts, grants, or donations received under subsection (1)(a) of this section; or
  - (IV) Money derived from any other source, subject to appropriation;
- (c) Provide grants, loans, and other resources to eligible entities to perform soil health activities;
- (d) Unless otherwise specified by the grantor or donor, use any money received from a political subdivision of Colorado, the United States government, or an agency of or corporation of the United States government to serve as a matching fund for soil health activities; or
- (e) Cooperate and collaborate, including entering into an agreement, to:
- (I) Advance the scientific understanding of soil health, soil health practices, environmental outcomes, or economic outcomes;
- (II) Increase monetary or nonmonetary resources to support scientific research; or
- (III) APPLY FOR GRANTS, INCLUDING APPLYING FOR GRANTS JOINTLY, AND OBTAIN RESOURCES TO SUPPORT THE PROGRAMS AUTHORIZED IN SECTION 35-73-104.
  - (2) IN ESTABLISHING A GRANT PROGRAM, THE DEPARTMENT SHALL:
- (a) Make money available for demonstration projects, educational projects, implementation projects, or research projects grants to eligible entities;
- (b) Minimize the use of money by grant recipients for costs not directly related to grant outcomes, such as administrative expenses or other expenses related to overhead;
- (c) Establish a monitoring and oversight procedure to ensure that money is being spent as intended; and
- (d) Establish protocols that ensure the confidentiality, in accordance with section 35-73-107, of agricultural producer, landowner, land

MANAGER, AND LAND INFORMATION, INCLUDING WITH RESPECT TO A STATE SOIL HEALTH INVENTORY AND PLATFORM AND STATE SOIL HEALTH TESTING PROGRAM.

- **35-73-106. Soil health advisory committee repeal.** (1) The soil health advisory committee is hereby created. The commissioner shall appoint no less than nine members to the committee.
  - (2) (a) THE COMMISSIONER SHALL APPOINT MEMBERS WHO:
- (I) Represent the different geographic areas and demographic diversity of the state and reflect the political diversity of the state, to the greatest extent possible;
- (II) INCLUDE AGRICULTURAL PRODUCERS OF DIVERSE PRODUCTION SYSTEMS, INCLUDING DIVERSITY IN SIZE, PRODUCT, IRRIGATED SYSTEMS, DRYLAND SYSTEMS, AND LIVESTOCK PRODUCTION SYSTEMS; AND
  - (III) INCLUDE:
  - (A) AN IRRIGATED CROP PRODUCER;
  - (B) A DRYLAND CROP PRODUCER;
  - (C) A RANCHER;
  - (D) AN ORGANIC PRODUCER;
  - (E) A CROP CONSULTANT;
  - (F) A REPRESENTATIVE OF AN INDIAN TRIBE;
- (G) A REPRESENTATIVE WITH EXPERTISE IN SOIL CARBON STORAGE AND NATURAL CLIMATE MITIGATION;
- (H) Two representatives who are board members of the Colorado Association of Conservation Districts or its successor organization; and
- (I) At least two water users who own, lease, or represent owners of adjudicated water rights used for agricultural purposes both from west of the continental divide and east of the continental divide, one of whom must be a ditch corporation as described in section 7-42-101, an acequia ditch corporation as described in section 7-42-101.5, or a shareholder in either of these types of ditch corporations.
- (b) Members on the advisory committee representing water users in accordance with subsection (2)(a)(III)(I) of this section may, but need not, be the same members that represent another person or group described in subsections (2)(a)(III)(A) to (2)(a)(III)(H) of this section.
- (c) The state conservation board, created in Section 35-70-103, shall appoint two representatives to be members of the advisory committee.

- (d) The commissioner shall appoint one of the two representatives who are members of the state conservation board as the chair of the advisory committee.
- (e) The advisory committee shall meet with the state conservation board at least four times annually.
- (3) THE COMMISSIONER SHALL APPOINT REPRESENTATIVES OF THE FOLLOWING TO SERVE AS EX OFFICIO MEMBERS ON THE ADVISORY COMMITTEE:
- (a) The Colorado water conservation board created in article 60 of title 37;
- (b) The Natural Resources conservation service in the United States department of Agriculture; and
  - (c) Colorado state university.
- (4) (a) The commissioner shall appoint approximately half of the initial members for two-year terms, but thereafter, appointments are for four-year terms unless the commissioner, in changing the number of members, determines that an appointment needs to be for less than four years to keep approximately half of the total number of the members' terms expiring every two years. Upon expiration of a member's term, the member continues to hold office until a successor has been duly appointed, but for no longer than six months.
- (b) Members of the advisory committee shall not serve more than two full four-year terms. An initial two-year term is not a full term.
- (5) THE COMMISSIONER MAY REMOVE A MEMBER OF THE ADVISORY COMMITTEE FOR MISCONDUCT, INCOMPETENCE, OR NEGLECT OF DUTY.
- (6) A majority of the members that represent at least five of the people or groups described in subsections (2)(a)(III)(A) to (2)(a)(III)(H) and (2)(c) of this section constitutes a quorum of the advisory committee to take any action authorized in this section.
  - (7) (a) THE ADVISORY COMMITTEE SHALL:
  - (I) APPROVE OR DENY ANY GRANT PROPOSED BY THE DEPARTMENT; AND
- (II) Make recommendations to the department concerning and assist in the development of the soil health program, including recommendations for the qualifications of eligible entities to receive grant money.
  - (b) THE ADVISORY COMMITTEE MAY:
- (I) Solicit input from stakeholders from each member's area of expertise and region of the state and communicate the advisory committee's recommendations to the region and stakeholders

REPRESENTED BY EACH MEMBER;

- (II) SOLICIT INPUT, IN COLLABORATION WITH THE DEPARTMENT, FROM UNDERSERVED AGRICULTURAL PRODUCERS;
- (III) SOLICIT INPUT FROM AGRICULTURAL PRODUCERS THAT REFLECT THE DIFFERENT GEOGRAPHIC AREAS AND DEMOGRAPHIC DIVERSITY OF THE STATE TO THE GREATEST EXTENT POSSIBLE;
- (IV) REVIEW SOIL HEALTH GRANT PROPOSALS FROM GRANT APPLICANTS, INCLUDING PROPOSED BUDGETS, PROPOSED GRANT OUTCOMES, AND THE QUALIFICATIONS OF ANY ELIGIBLE ENTITIES APPLYING FOR GRANTS;
- (V) REVIEW ANY AGREEMENTS FOR COOPERATION OR COLLABORATION ENTERED INTO BY THE DEPARTMENT AS AUTHORIZED IN SECTION 35-73-105 (1)(e);
- (VI) EVALUATE THE RESULTS AND EFFECTIVENESS OF SOIL HEALTH ACTIVITIES AND THE SOIL HEALTH PROGRAM IN IMPROVING SOIL HEALTH; AND
- (VII) RECOMMEND TO THE COMMISSIONER WAYS TO ENHANCE STATEWIDE EFFORTS TO SUPPORT HEALTHY SOILS THROUGHOUT THE STATE.
- (8) Members of the advisory committee receive no compensation for their service on the advisory committee but may be reimbursed for actual and necessary travel and other actual expenses incurred in the performance of their official duties. The department shall adopt uniform and reasonable guidelines governing expense reimbursement.
- (9) This section is repealed, effective September 1, 2031. Before the repeal, this section is scheduled for review in accordance with section 2-3-1203.
- 35-73-107. Landowner, land manager, and agricultural producer information confidentiality. The department shall not disclose records, including analyses and maps, compiled or maintained in accordance with this article 73 that are based on information related to private lands and identify or allow to be identified any specific Colorado Landowners, land managers, agricultural producers, or parcels of Land; except that the department may disclose summary or aggregated data that do not specifically identify individual landowners, land managers, agricultural producers, or parcels of Land.
- **35-73-108.** Reporting requirement. (1) No later than January 31 of each year, the department shall prepare and make available to the public a report on its official website that must contain the following information for the previous year:
- (a) An accounting of all money received and spent for the soil health program;
  - (b) A DESCRIPTION OF ACTIVITIES UNDERTAKEN, INCLUDING THE NUMBER AND

TYPE OF GRANT-FUNDED PROJECTS AND THE EDUCATIONAL AND STAKEHOLDER ENGAGEMENT ACTIVITIES; AND

- (c) A SUMMARY OF THE ACTIVITIES AND RECOMMENDATIONS OF THE ADVISORY COMMITTEE.
- (2) Notwithstanding section 24-1-136 (11)(a)(I), no later than January 31 of each year, the department shall submit the report prepared in accordance with subsection (1) of this section to the agriculture and natural resources committee of the senate and the agriculture, livestock, and water committee of the house of representatives, or any successor committees.
- (3) Notwithstanding section 24-1-136 (11)(a)(I), the department shall annually report each gift, grant, or donation, including the identity of the donor, in its budget request for the state fiscal year to the joint budget committee and at the hearing required by the "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act", part 2 of article 7 of title 2.

**SECTION 3.** In Colorado Revised Statutes, 2-3-1203, add (22) as follows:

- **2-3-1203.** Sunset review of advisory committees legislative declaration definition repeal. (22) (a) The following statutory authorizations for the designated advisory committees are scheduled for repeal on September 1, 2031:
  - (I) THE SOIL HEALTH ADVISORY COMMITTEE CREATED IN SECTION 35-73-106.
  - (b) This subsection (22) is repealed, effective September 1, 2033.
- **SECTION 4.** In Colorado Revised Statutes, 24-72-204, **amend** (3)(a) introductory portion; and **add** (3)(a)(XXIII) as follows:
- **24-72-204.** Allowance or denial of inspection grounds procedure appeal definitions repeal. (3) (a) The custodian shall deny the right of inspection of the following records, unless otherwise provided by law; except that THE CUSTODIAN SHALL MAKE any of the following records, other than letters of reference concerning employment, licensing, or issuance of permits, shall be available to the person in interest pursuant to IN ACCORDANCE WITH this subsection (3):
- (XXIII) RECORDS, INCLUDING ANALYSES AND MAPS, COMPILED OR MAINTAINED IN ACCORDANCE WITH ARTICLE 73 OF TITLE 35 THAT ARE BASED ON INFORMATION RELATED TO PRIVATE LANDS AND IDENTIFY OR ALLOW TO BE IDENTIFIED ANY SPECIFIC COLORADO LANDOWNERS, LAND MANAGERS, AGRICULTURAL PRODUCERS, OR PARCELS OF LAND; EXCEPT THAT THE CUSTODIAN MAY RELEASE OR AUTHORIZE INSPECTION OF SUMMARY OR AGGREGATED DATA THAT DO NOT SPECIFICALLY IDENTIFY INDIVIDUAL LANDOWNERS, LAND MANAGERS, AGRICULTURAL PRODUCERS, OR PARCELS OF LAND.

**SECTION 5.** Appropriation. For the 2021-22 state fiscal year, \$4,464 is

appropriated to the department of agriculture for use by the agricultural services division. This appropriation is from the general fund. To implement this act, the division may use this appropriation for the conservation services division.

**SECTION 6.** Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 21, 2021